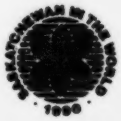
Challenges and Opportunities
Saskatchewan

Quality Health Care for Saskatchewan
March, 1989



The Hon. J. Gary Lane, Q.C.
Minister of Finance
Budget, 1989-90

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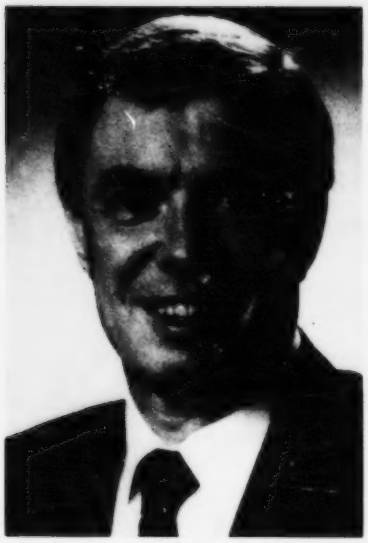


Challenges and Opportunities

March 30, 1989

Honourable J. Gary Lane, Q.C.
Minister of Finance

This Progressive Conservative Government believes in Saskatchewan's future. By working with the people of this Province, we can undertake exciting new initiatives to make the future our own.

The 1989-90 Budget Address highlights many of the innovative measures that this Government will undertake in the coming year. These new initiatives will position Saskatchewan people to take up the challenges and opportunities presented by a world economy in transition.

This budget document provides the details of these initiatives. It demonstrates our determination to address the needs and aspirations of the Saskatchewan people. It demonstrates our commitment to take a comprehensive, coordinated approach to the development of the Province. It acknowledges the interdependent nature of our rural and urban communities and demonstrates our firm conviction that Saskatchewan must be seen as more than simply the sum of its parts.

The people of Saskatchewan are working together to build on their accomplishments. The initiatives described in this document enable us to build the foundation for a better tomorrow.

Hon. J. Gary Lane, Q.C.
Minister of Finance

Quality Health Care for Saskatchewan

Introduction

This Government is committed to ensuring that the people of Saskatchewan continue to have access to a comprehensive, province-wide, quality health care system. **It is our number one priority.**

In recent years, we have seen major advances in the treatment of many illnesses. This is due to rapid medical and technological developments which have introduced advanced treatment techniques and diagnostic equipment to medical care.

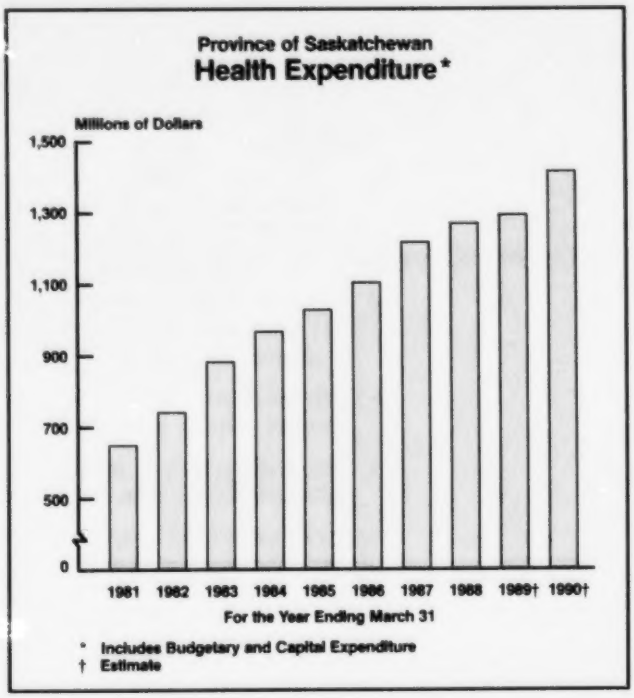
- The development of laser therapy has meant that cataract surgery can now be performed on an out-patient basis, requiring a very short recovery period.
- The use of lens implants has meant that vision may be restored through surgical intervention.
- The development of artificial joints has meant that mobility can be restored through total hip or knee replacement.

Saskatchewan must keep pace with these advances, as well as meet the challenges presented by new illnesses, such as Acquired Immune Deficiency Syndrome (AIDS) and new environmentally-related diseases.

We must also recognize the impact of the rapid pace of life in the 1980s on our health. There is increasing awareness that modern day lifestyles can contribute to illness. Drug abuse, particularly among our young people, continues to be a major concern. This can have a devastating impact on the entire family as parents struggle to find solutions to drug dependency problems.

The health care system of the 1990s must be prepared to respond to the challenges and pressures created by our high-tech world, new illnesses and the increase in utilization of most health care services by all age groups. These challenges and pressures are not unique to Saskatchewan. Across the country, governments are searching for affordable solutions.

Since coming to office in 1982, this Government has been committed to maintaining a quality health care system.



It has been necessary to improve health care services to meet the many new challenges.

These improvements have included:

- an emphasis on programming targeted at promoting a healthy lifestyle;
- support for rehabilitation initiatives, including the construction of the new, much expanded therapy wing at the Wascana Rehabilitation Centre and Whitespruce, an addiction treatment facility for young people; and,
- an extensive hospital, integrated facility and special care home construction program to expand facilities and to replace aging institutions throughout the Province.

Where Your Health Care Dollars Go

The Province's health care system is extremely costly to maintain. **All revenues from the personal income tax and the Education and Health Tax are now required to fund health care services.**

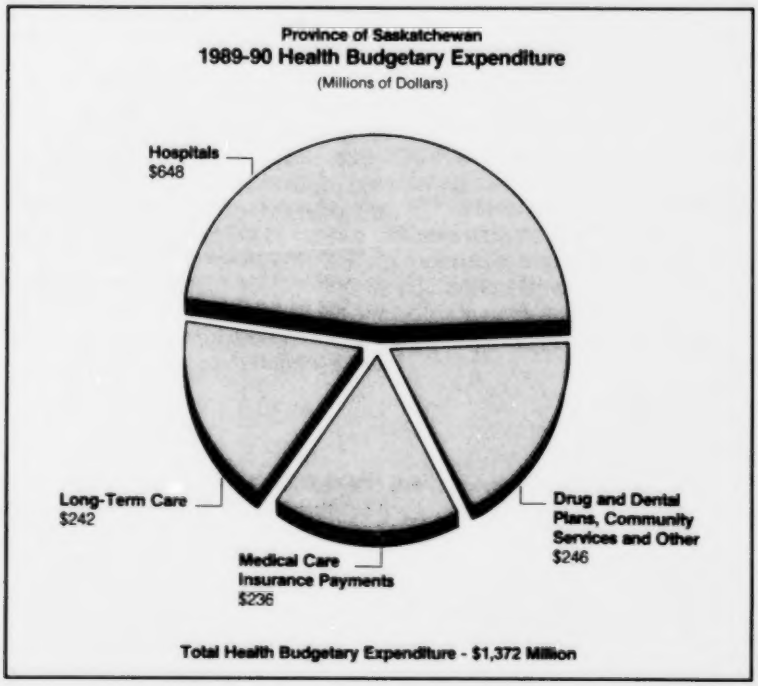
Many people do not realize the cost of health care. For instance:

- the average daily cost per hospitalized patient is $330 in major hospitals and $190 in other hospitals;
- the average cost of childbirth is $2,600; and,
- the average cost of heart surgery is $16,000.

Health care expenditure, of nearly $1.4 billion in 1989-90, represents in excess of 30 per cent of the Provincial Budget.

Health funding can be divided into the following four major categories:

- $648 million, almost 50 per cent of the health budget, for hospital care;
- $242 million, about 18 per cent of the health budget, for long-term care, including nursing homes and Home Care;
- $236 million, about 17 per cent of the health budget, for Medical Care Insurance, including payments to doctors, chiropractors and optometrists; and,
- $246 million, for community-based services, including public health nurses and inspectors, mental health workers, the Prescription Drug Plan and the Children's Dental Plan.



Protecting Medicare

Saskatchewan is regarded as having the model health system in North America. Our advances in public health care have been adopted by many other jurisdictions across Canada.

Hospitals

Approximately half of the health budget is provided as operating grants to the Province's 134 hospitals.

A large share, about 75 per cent, goes to pay salaries for the 4,100 registered nurses, 3,000 other nursing staff, 6,900 support staff and other health care professionals, such as dietitians, physiotherapists and laboratory technicians.

In 1989-90, Saskatchewan hospitals will receive an additional $62 million to maintain and enhance services. Of this amount, over $22 million will be provided for salary increases to nurses and support staff to enable Saskatchewan to maintain quality personnel.

Since 1982, over 700 new nursing positions and almost 600 new support positions have been provided by the Government to improve the quality of patient care and meet the staffing needs of new facilities. An additional 370 nursing positions are funded in 1989-90.

This year, an increase of almost $16 million is provided for the purchase of surgical and medical supplies and other patient care supplies. This increase will allow hospitals to better serve their patients.

Technological advances have resulted in the demand for more sophisticated and higher cost equipment, especially for diagnostic purposes. The Province has responded and, in 1986, contributed $4.8 million towards the purchase of six C.A.T. scanners, one for each of the major hospitals. This has enabled more accurate and faster diagnosis of patients in the Province.

On an ongoing basis, the Government provides almost $8 million annually for equipment purchases. For this year, **$4.3 million will be added to enable hospitals to upgrade equipment and to purchase high technology equipment to keep pace with the latest advances in medical care.**

Construction

Recognizing the need to replace the Province's aging hospital facilities and to expand special care home capacity, this Government introduced a five-year, $300 million construction program in 1985. The long-term planning horizon enables hospitals and local communities to more easily develop construction plans and to arrange for the local share of financing.

An important element, linked to the construction program, was a change in the construction funding formula. **In 1986, the Government increased its share of base hospital construction costs from 85 per cent to 100 per cent.** In return, needed equipment and furnishings for the newly constructed facilities would be purchased by these hospitals.

In the hospital sector alone, this Government has already exceeded its $300 million construction commitment. Hospital construction initiatives now total almost $400 million with 2,000 new and replacement beds added.

The new, $112 million Saskatoon City Hospital is currently under construction and will be operational within five years. Major rejuvenation and expansion projects have also taken place at University and St. Paul's Hospitals in Saskatoon with almost 180 beds added to the system, including an expanded capacity for day surgery.

Similar rejuvenation projects have taken place in Regina, at the General and Pasqua Hospitals. Construction of the therapies and service wing at the Wascana Rehabilitation Centre has been completed, and planning for 100 new beds is well underway. This will greatly expand our capacity to offer a full range of rehabilitation services to help patients return to a full and productive life.

Most Saskatchewan people recognize the need to pay for new health care initiatives. To assist in the funding of a number of initiatives for 1989-90, a new Hospitals Tax will be introduced, effective July 1. The monies raised from the Tax will be dedicated to hospital expenditure.

For 1989-90, this Tax is anticipated to raise $26.5 million. **This year, $9.5 million will be provided for capital-related expenditures for new or expanded facilities, including new integrated facilities at Kyle and Leoville. The balance of the monies, $17 million, will be provided for new initiatives targeted at service delivery enhancement and efficiency improvements.** Innovative measures, such as new day surgery units, new high technology equipment for province-wide use and special waiting list reduction initiatives, comprise but a few of the planned measures. In future years, these monies will be targeted to other high priority initiatives.

Integrated Facilities

Increasingly, people are looking to the hospitals in larger centres to provide needed services. Nevertheless, residents of smaller centres continue to rely on their community hospital. Many of the smaller hospitals have a limited role in the provision of acute care services. Recognizing that hospital closure would be devastating for smaller communities, from both a health service delivery and economic point of view, this Government searched for a solution which would ensure that existing facilities continue to meet the changing needs of communities.

In 1984, **the integrated facility concept, providing both hospital and nursing home beds within a single facility and with a common administration, was introduced allowing for the most efficient use of resources.** Combining long-term care capacity with existing facilities has meant that smaller communities have been able to keep their hospitals with the added advantage of access to nursing home beds.

1989-90 Capital Program

This year, over $64 million is provided for renovation and construction of health facilities. The majority of the funding is for ongoing projects, including the Saskatoon City Hospital, St. Joseph's Hospital in Estevan and the Wascana Rehabilitation Centre in Regina. **Project planning to be initiated in 1989-90 includes:**

- new hospitals at La Ronge, Macklin, Broadview and Langenburg; and,
- new integrated facilities at Craik, Eatonia, Midale, Edam, Imperial, Lafleche and Oxbow.

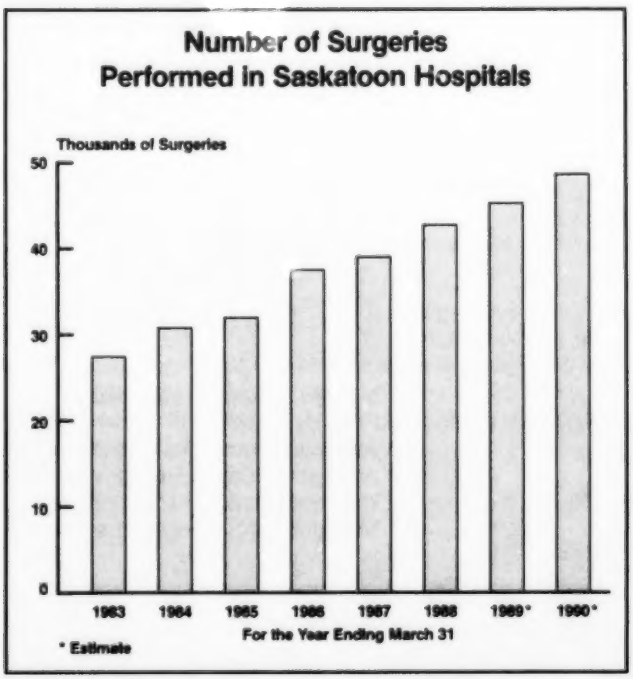
Elective Surgery Waiting Lists

Despite the expanded hospital capacity, Saskatchewan, like many other provinces, is experiencing a substantial growth in demand for surgeries. This high demand has resulted in waiting lists at the major hospitals, particularly in Saskatoon.

The waiting lists in Saskatoon are a result of a number of factors, including:

- 36 per cent of the people on the waiting list live outside of Saskatoon; and,
- over 50 per cent are associated with procedures in ophthalmology (eyes), orthopaedics (bones), and otolaryngology (ear, nose and throat).

Saskatoon hospitals have been able to increase their surgical volumes by 64 per cent since 1982 because the Government chose to provide resources.



In fact, during the past 18 months the waiting lists in Saskatoon have been reduced by 25 per cent. This Government has directed significant resources to the waiting list reduction effort by:

- increasing annual operating grants to Saskatoon hospitals by over $40 million since 1982;
- providing almost $19 million to expand operating room capacity and open day surgery units and new beds; and,
- automating the waiting lists to allow accurate information on specific problem areas.

This year, a new day surgery unit will open at St. Paul's Hospital along with 35 additional surgical beds. As well, $1.5 million will be provided to Saskatoon hospitals to purchase high cost surgical supplies and increase staffing to enable more surgeries to be performed.

These measures allow emergency cases in Saskatoon to be handled on a same day basis while high priority cases are handled in less than two weeks. Concerns regarding waiting lists continue to be localized in Saskatoon and centre on elective surgical cases.

The Government will continue to work with the Saskatchewan Medical Association, the Saskatchewan College of Physicians and Surgeons, the Saskatchewan Registered Nurses Association, hospital boards and administrators and other groups to find the best solution for people on the waiting lists, including exploring the development of a patient referral system.

Centres of Excellence

The increased specialization of medical care necessitates the creation of "centres of excellence". This concentration of specialties in individual hospitals, together with sharing of support services, such as purchasing and staff development, allows the best use of equipment and expertise.

The major construction program in Saskatoon provided an opportunity to take advantage of this approach and new **"centres of excellence"** are being established. **City Hospital** will be designated as the centre for ophthalmology and otolaryngology (ear, nose and throat) while **St. Paul's Hospital** will become the centre for obstetrics and **University Hospital** will house the paediatric centre.

This approach also provides a medical teaching environment which enhances the Province's ability to train, attract and retain medical specialists in areas now in short supply.

In Regina, major hospitals have also been designated as centres for particular services. **The Plains Health Centre** specializes in trauma services, especially head injuries, neurosurgery and heart and lung surgery. The **General Hospital** is the centre for renal dialysis, a treatment of kidney disease, and the **Pasqua Hospital** is the designated cancer treatment centre.

Over the past year, the **Moose Jaw Union and Providence Hospitals** and **St. Anthony's Special Care Home** have been exploring

opportunities to specialize services among the three institutions. The need to replace both St. Anthony's and Providence Hospital has provided the impetus to find ways to concentrate resources according to particular specialties while sharing common support services.

Most recently, in a brief submitted to the Saskatchewan Commission on Directions in Health Care, physicians in Prince Albert proposed that specialization of the City's hospitals be examined as a means to better use resources and improve the level of care.

The development of these initiatives, including the establishment of "centres of excellence", results in the most efficient use of equipment and expertise through concentrating specialties and services in one location.

CommunityCare

The most recent initiative to reinforce joint effort and service delivery is CommunityCare. **This approach supports communities, wishing to work together, to identify the total health care needs of their residents and improve services through:**

- the development of coordinated, comprehensive care; and,
- the provision of greater flexibility to reallocate funding to meet local priorities.

Special Care Homes

Funding of $210 million for Special Care Homes represents about 15 per cent of the entire health budget. Operating grants are provided for the 10,000 beds in the Province's 150 nursing homes. The annual operating cost per bed is between $22,500 and $27,500, depending upon the size of the facility, the nature of the services offered and the capital financing arrangements.

Expansion of special care home capacity, especially in smaller centres, is a major pillar of this Government's health construction program. To date, almost $150 million has been committed for construction, resulting in over 1,000 new beds to meet the needs of our aging population. Over $25 million and 800 positions have been provided to operate and staff the expanded capacity.

In addition, almost 900 beds have been replaced so that a more intensive level of care can be provided. Existing homes have received 500 new positions, allowing them to also provide the more intensive level of care required by their residents.

The 1989-90 Budget supports our past initiatives to offer quality care by:

- providing $1 million for new positions to improve staffing standards; and,
- providing over $1 million for the operation of new long-term care beds, including new facilities at Nipawin, Elrose, and Wadena.

Seniors Enriched Housing

This Government has also initiated community-based alternatives to meet the changing needs of seniors. The introduction of Seniors Enriched Housing has enabled seniors to remain in their communities and maintain their independence while offering the added advantages of:

- companionship with other seniors living in the same complex;
- greater opportunities to participate in social events; and,
- a focus for the delivery of Home Care services.

To support further this concept, the 1989-90 Budget contains $720,000 for the provision of enhanced services to seniors, including those living in enriched housing.

Prevention

The long-term solution to avoiding the stress and pressure on the health care system is preventive programs which encourage people to maintain healthy lifestyles.

Smoking, lack of exercise, poor eating habits, and the stress of our everyday lives, contribute to heart disease, strokes, cancer, and liver and kidney disease.

This Government has responded by:

- introducing a major public education program, "Everyone Wins", targeted at preventing illness through adopting healthy lifestyles;
- providing grants to community groups to promote activities which encourage healthy living;
- providing research funding to the University of Saskatchewan to establish a centre for the study of the incidence and cause of diseases; and,
- funding additional research through a grant to the Centre of Agricultural Medicine, in Saskatoon, to focus on the study of diseases associated with farm life, including those caused by grain dust and agricultural chemicals.

The research undertaken in these two centres will assist in determining how to spend health care dollars more effectively to prevent the occurrence of diseases and to successfully treat its victims.

The prevention of drug abuse is a major priority of this Government. This year, funding is provided for a major initiative to strengthen the fight against substance abuse by young people. This initiative recognizes the importance of combatting the problem on several fronts, through:

- education about the effects of drug use;
- an outreach program targeted to street kids;

- improved training programs for youth workers; and,
- stronger enforcement efforts.

This approach recognizes that the demand-supply link must be broken. Drug dealers and pushers must be prosecuted in an effort to dry up the readily available supply of drugs.

This initiative builds on existing prevention and treatment programs, including:

- the development of Whitespruce, a unique addiction treatment centre for young people;
- the upgrading of the Calder Centre, in Saskatoon, a treatment facility for adults;
- the expansion of the community worker network throughout the Province; and,
- increased funding to community organizations to allow them to attract qualified staff to deliver services.

The introduction of the new plastic health card for use in pharmacies will aid in identifying cases of prescription drug abuse. This year, funding is provided to explore other uses for the card including medical and chiropractic services. Its application for medical services will help detect instances of double doctoring.

The Government is continuing its support of the AIDS information program. Resource people around the Province are being trained to serve at the community level. As well, educational materials targeted to people in the workplace and to young people have been developed. As an added precaution, funding to the Red Cross has been increased to enable screening of blood products to ensure their safety. The main emphasis is, once again, on prevention.

Breast cancer is the leading cause of death from cancer among Canadian women. However, numerous studies have shown that the success of treatment is greatly increased by early detection, reducing the mortality rate up to 50 per cent. Consequently, **the Government is introducing a breast cancer screening pilot program for women in the high risk age group.**

Challenges

The health system is facing challenges brought about by:

- a rise in utilization of all our health care services;
- advances in technology that have increased our capacity to diagnose and treat diseases;
- the availability of expensive high-tech equipment which is entering the system at a rapid pace; and,
- the appearance of new illnesses which require the development of new treatments and cures.

People use more physician services, undergo more major operations and take more prescription drugs than they did a decade ago. The recent utilization study, released by Saskatchewan Health, demonstrated that the volume of physician services received per person increased almost 21 per cent between 1978 and 1986. Increased utilization results in added funding pressures.

New Opportunities

To respond to these challenges and funding pressures, the Government established **the Saskatchewan Commission on Directions in Health Care.** The Commission provides a forum for public and professional input, focusing on solutions to pressures facing the health care system today and shaping the system of the future.

The input of the public and health care professionals is essential to finding solutions to very complex health care issues, particularly in a world of limited resources. This Government believes that consultation and cooperation are required to ensure that Saskatchewan people continue to be served by a world-class health care system.